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**COMMUNITY FOUNDATION OF ACADIANA  
FINANCIAL REPORT  
DECEMBER 31, 2006**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/30/08

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**Terrel P. Dressel, CPA\* 2007**

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Community Foundation of Acadiana  
Lafayette, Louisiana

We have audited the accompanying consolidated statements of financial position of Community Foundation of Acadiana (a nonprofit organization) and affiliate as of December 31, 2006 and 2005 and the related consolidated statements of activities and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Community Foundation of Acadiana and affiliate as of December 31, 2006 and 2005, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated October 26, 2007, on our consideration of Community Foundation of Acadiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of

of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

*Broussard, Pote, Lins & Brown, LLP*

Lafayette, Louisiana  
October 26, 2007

COMMUNITY FOUNDATION OF ACADIANA

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2006 and 2005

ASSETS	2006	2005
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 4,510,115	\$ 3,901,819
Certificates of deposit	2,158,956	988,670
Investments	5,784,163	4,535,848
Contributions receivable	14,590	124,612
Prepaid expenses	7,750	1,135
Other receivables	41,681	30,300
Total current assets	<u>\$12,517,255</u>	<u>\$ 9,582,384</u>
<b>FIXED ASSETS</b>		
Property and equipment, net	<u>\$ 2,523,736</u>	<u>\$ 2,576,601</u>
<b>OTHER ASSETS</b>		
Bond issuance costs, net	<u>\$ 16,501</u>	<u>\$ 17,501</u>
Total assets	<u>\$15,057,492</u>	<u>\$12,176,486</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 31,547	\$ 3,551
Accrued liabilities	10,071	8,109
Funds held in custody	1,072,532	346,319
Current portion of bonds payable	<u>35,000</u>	<u>35,000</u>
Total current liabilities	<u>\$ 1,149,150</u>	<u>\$ 392,979</u>
<b>LONG-TERM LIABILITIES</b>		
Bonds payable	<u>\$ 820,000</u>	<u>\$ 855,000</u>
<b>NET ASSETS</b>		
Unrestricted	\$ 538,522	\$ 688,302
Temporarily restricted	11,334,188	9,491,280
Permanently restricted	<u>1,215,632</u>	<u>748,925</u>
	<u>\$13,088,342</u>	<u>\$10,928,507</u>
Total liabilities and net assets	<u>\$15,057,492</u>	<u>\$12,176,486</u>

See Notes to Consolidated Financial Statements.

COMMUNITY FOUNDATION OF ACADIANA

CONSOLIDATED STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>				
Contributions	\$ 160,625	\$ 4,664,178	\$ 365,047	\$ 5,189,850
Interest and dividends	21,073	275,200	40,127	336,400
Gains (losses) on investments	(42)	292,758	58,240	350,956
Rent income	84,310	-	-	84,310
Administrative fees	95,548	(76,459)	(10,537)	8,552
Net assets released from restrictions:				
Satisfaction of program restrictions	3,298,939	(3,312,770)	13,831	-
Total revenues and other support	<u>\$ 3,660,453</u>	<u>\$ 1,842,907</u>	<u>\$ 466,708</u>	<u>\$ 5,970,068</u>
<b>EXPENSES AND LOSSES</b>				
Program expenses:				
Hurricane disaster relief	\$ 2,133,390	\$ -	\$ -	\$ 2,133,390
Louisiana Open, Inc.	122,500	-	-	122,500
Asbury Methodist Church	101,000	-	-	101,000
Second Wind Programs	100,000	-	-	100,000
Grand Opera House	99,000	-	-	99,000
American Cancer Society	74,113	-	-	74,113
Other	519,877	-	-	519,877
Management and general:				
Salaries	187,994	-	-	187,994
Payroll taxes and benefits	14,607	-	-	14,607
Professional services	37,885	-	-	37,885
Advertising and marketing	47,161	-	-	47,161
Conferences and meetings	15,760	-	-	15,760
Office expenses	17,458	-	-	17,458
Insurance	11,439	-	-	11,439
Printing	63,093	-	-	63,093
Interest	34,430	-	-	34,430
Rent	25,872	-	-	25,872
Depreciation and amortization	63,398	-	-	63,398
Trust and bank fees	14,460	-	-	14,460
Computer and internet	14,002	-	-	14,002
Uncollectible pledges	29,600	-	-	29,600
Fundraising expense	23,823	-	-	23,823
Other	59,371	-	-	59,371
Total expenses	<u>\$ 3,810,233</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 3,810,233</u>
Change in net assets	\$ (149,780)	\$ 1,842,907	\$ 466,708	\$ 2,159,835
Net assets at beginning of year	<u>688,302</u>	<u>9,491,280</u>	<u>748,925</u>	<u>10,928,507</u>
Net assets at end of year	<u>\$ 538,522</u>	<u>\$11,334,188</u>	<u>\$ 1,215,632</u>	<u>\$13,088,342</u>

See Notes to Consolidated Financial Statements.

COMMUNITY FOUNDATION OF ACADIANA

CONSOLIDATED STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2005

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>				
Contributions	\$ 244,162	\$ 4,152,947	\$ 366,927	\$ 4,764,036
Interest and dividends	296	151,252	15,122	166,670
Gains (losses) on investments	(89)	116,696	10,143	126,750
Rent income	68,639	-	-	68,639
Administrative fees	70,708	(62,501)	(6,242)	1,965
Net assets released from restrictions:				
Satisfaction of program restrictions	1,528,891	(1,028,893)	(499,998)	-
Total revenues and other support	<u>\$ 1,912,607</u>	<u>\$ 3,329,501</u>	<u>\$ (114,048)</u>	<u>\$ 5,128,060</u>
<b>EXPENSES AND LOSSES</b>				
Program expenses:				
Hurricane disaster relief	\$ 1,178,177	\$ -	\$ -	\$ 1,178,177
Louisiana Open, Inc.	67,300	-	-	67,300
Be a Heart Starter Fund	42,052	-	-	42,052
Acadiana Legal Services	30,821	-	-	30,821
Interfaith Hospitality Network	28,642	-	-	28,642
Other	379,178	-	-	379,178
Management and general:				
Salaries	98,715	-	-	98,716
Payroll taxes and benefits	7,285	-	-	7,286
Professional services	35,128	-	-	35,128
Advertising and marketing	9,061	-	-	9,061
Conferences and meetings	8,527	-	-	8,527
Office expenses	11,280	-	-	11,280
Insurance	7,187	-	-	7,187
Printing	12,641	-	-	12,641
Interest	23,606	-	-	23,606
Rent	8,630	-	-	8,630
Depreciation and amortization	61,549	-	-	61,549
Trust and bank fees	12,819	-	-	12,819
Computer and internet	15,703	-	-	15,703
Other	17,757	-	-	17,757
Total expenses	<u>\$ 2,056,058</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,056,058</u>
Change in net assets	\$ (143,451)	\$ 3,329,501	\$ (114,048)	\$ 3,072,002
Net assets at beginning of year	831,753	6,161,779	862,973	7,856,505
Net assets at end of year	<u>\$ 688,302</u>	<u>\$ 9,491,280</u>	<u>\$ 748,925</u>	<u>\$10,928,507</u>

See Notes to Consolidated Financial Statements.

COMMUNITY FOUNDATION OF ACADIANA

CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2006 and 2005

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,159,835	\$ 3,072,002
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	63,398	61,549
Gains on investments	(350,980)	(126,750)
Decrease in contributions receivable	80,422	272,846
Uncollectible pledges	29,600	-
Increase in other assets	(17,996)	(20,525)
Increase (decrease) in accounts payable	27,996	(12,236)
Increase in accrued liabilities	1,962	3,136
Net cash provided by operating activities	<u>\$ 1,994,237</u>	<u>\$ 3,250,022</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of certificates of deposit	\$(2,924,211)	\$ (986,264)
Maturities from certificates of deposit	1,753,925	-
Purchase of investments	(4,904,005)	(1,936,572)
Proceeds from sales of investments	4,006,670	3,202,340
Purchase of fixed assets	<u>(9,533)</u>	<u>(214,912)</u>
Net cash provided by (used in) investing activities	<u>\$(2,077,154)</u>	<u>\$ 64,592</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in funds held in custody	\$ 726,213	\$ 173,937
Payments of long-term borrowing	<u>(35,000)</u>	<u>(30,000)</u>
Net cash provided by financing activities	<u>\$ 691,213</u>	<u>\$ 143,937</u>
Net increase in cash	\$ 608,296	\$ 3,458,551
Cash at beginning of year	<u>3,901,819</u>	<u>443,268</u>
Cash at end of year	<u>\$ 4,510,115</u>	<u>\$ 3,901,819</u>
SUPPLEMENTAL DISCLOSURES:		
Cash payments of interest	<u>\$ 32,864</u>	<u>\$ 16,335</u>
Noncash transactions:		
Donated services	<u>\$ 40,976</u>	<u>\$ 44,446</u>
Donated rent	<u>\$ 28,932</u>	<u>\$ 11,907</u>

See Notes to Consolidated Financial Statements.

COMMUNITY FOUNDATION OF ACADIANA

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization:

Community Foundation of Acadiana (the "Foundation") is a Louisiana nonprofit corporation chartered on November 16, 2000. Its purpose is to serve as a community foundation which shall receive and administer funds for charitable, educational or scientific purposes.

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting.

The Foundation is an exempt organization for Federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code.

Significant accounting policies:

Basis of consolidation -

The consolidated financial statements include the accounts of the Foundation and its wholly owned affiliate CFA-REH, L.L.C. All material inter-company items and transactions have been eliminated.

Support and expenses -

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporary or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets in the statement of activities as net assets released from restrictions. The Foundation relies heavily on general public donations to support its operations.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Estimates -

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Allowance for doubtful accounts -

The Foundation considers \$14,590 of pledges receivable at December 31, 2006 to be fully collectible; accordingly management charged off pledges outstanding that was considered to be uncollectible in the amount of \$29,600 during the 2006 fiscal year.

### Cash and cash equivalents -

For the purposes of the statement of cash flows, the Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

### Investments -

Investments, which consist of debt and equity securities and mutual funds, are presented in the financial statements at fair value. Investment securities are exposed to various risks including, but not limited to, interest rate and market and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term.

### Property and equipment -

Purchased property and equipment are recorded at cost at the date of acquisition. Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor stipulations regarding how long the contributed assets must be used, the Foundation has adopted a policy of implying a time restriction on contributions of such assets that expires over the assets' useful lives. As a result, all contributions of property and equipment, and of assets contributed to acquire property and equipment, are recorded as restricted support. Depreciation is computed by the straight-line method at rates based on the following useful lives:

	<u>Years</u>
Furniture and equipment	5 - 7
Building	40

### Tax status -

The Foundation is a Louisiana nonprofit corporation established in 2000. It is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code; accordingly, no provision for income taxes has been made in the financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Concentrations of credit risk -

Financial instruments which subject the Foundation to concentrations of credit risk consist primarily of mutual funds which invest primarily in short-term governmental securities and contributions receivable. The Foundation typically maintains cash and cash equivalents and temporary investments in local banks which may, at times, exceed the Federal Deposit Insurance Corporation (FDIC) limits.

### Note 2. Prior Period Adjustment

During the 2006 fiscal year, the Foundation determined that certain funds previously regarded as agency funds in 2004 and 2005 were funds that the donor intended the Foundation to disperse. These funds should be included in net assets and changes in net assets in those prior years. The effect of the adjustment at December 31, 2004 were increases in temporarily restricted net assets of \$410,734 and permanently restricted net assets of \$314,699, for an increase in net assets of \$725,433.

The 2005 financial statements have been restated to conform to the revised classification of these funds and resulted in an increase in the change in net assets of \$34,496 for the year ended December 31, 2005, as previously reported.

### Note 3. Contributions Receivable

Unconditional promises to give are included in the financial statements as contributions receivable and as revenues of the appropriate net asset category. Unconditional promises to give, due in more than one year, are reflected at the present value of estimated future cash flows using an appropriate discount rate.

Contributions receivable, net of present value discounts of \$738 in 2005, of \$14,590 and \$124,612 were expected to be realized during the 2006 fiscal year, which was the ending term for the pledge campaign which commenced in the 2003 fiscal year. Pledges in the amount of \$29,600, which were not expected to be collected, were charged off during the fiscal year ended December 31, 2006.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## Note 4. Investments

Investments are composed of the following at December 31:

	2006			Market Value
	Cost	Unrealized Gains	Unrealized Losses	
Mutual funds	\$ 1,080,645	\$ 67,037	\$ 11,959	\$ 1,135,723
Government				
Securities	1,138,120	13,060	9,476	1,141,704
Corporate bonds	501,024	3,502	5,725	498,801
Equity securities	<u>2,616,411</u>	<u>417,694</u>	<u>26,170</u>	<u>3,007,935</u>
	<u>\$ 5,336,200</u>	<u>\$ 501,293</u>	<u>\$ 53,330</u>	<u>\$ 5,784,163</u>
	2005			Market Value
	Cost	Unrealized Gains	Unrealized Losses	
Mutual funds	\$ 1,002,225	\$ 41,387	\$ 6,526	\$ 1,037,086
Government				
Securities	1,014,836	1,293	13,087	1,003,042
Corporate bonds	336,825	169	6,524	330,470
Equity securities	<u>1,964,921</u>	<u>245,090</u>	<u>44,761</u>	<u>2,165,250</u>
	<u>\$ 4,318,807</u>	<u>\$ 287,939</u>	<u>\$ 70,898</u>	<u>\$ 4,535,848</u>

## Note 5. Property and Equipment

Property and equipment at December 31, 2006 and 2005 consisted of the following:

	2006	2005
Land (donated value)	\$ 500,000	\$ 500,000
Furniture and equipment	55,469	45,936
Building	<u>2,115,666</u>	<u>2,115,666</u>
	\$ 2,671,135	\$ 2,661,602
Less accumulated depreciation	<u>(147,398)</u>	<u>(85,001)</u>
	<u>\$ 2,523,737</u>	<u>\$ 2,576,601</u>

Total depreciation expense for the years ended December 31, 2006 and 2005 was \$62,397 and \$61,049, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 6. Funds Held in Custody

The Foundation has adopted Statement of Financial Accounting Standard No. 136 ("FAS 136"), "Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others." FAS 136 established standards for transactions in which a community foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investments of those assets, or both to another entity that is specified by the donor. FAS 136 specifically requires that if a not-for-profit establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such transfers as funds held in custody.

The Foundation maintains variance power and legal ownership of funds held in custody, and as such, continues to report the funds as assets of the Foundation. However, in accordance with FAS 136, a liability has been established for the present value of the future payments expected to be made to the not-for-profit organizations, which is generally the equivalent of fair value of the funds.

Note 7. Donated Services

The Foundation received donated rent, printing services, advertising and audit and accounting services. The total amount of donated rent and services included in unrestricted contributions at December 31, 2006 and 2005 is \$69,980 and \$56,352, respectively.

Note 8. CFA-REH, L.L.C.

During 2002, the Foundation formed a 501(c)(2) corporation to accept a donation of land. The 501(c)(2) is a not-for-profit organization that is wholly-owned by the Foundation. The sole purpose of this organization was to accept real estate, hold real estate, collect income, and disburse income and real estate. During 2003, however, the Foundation formed CFA-REH, L.L.C. and transferred the property to that corporation. The limited liability company is wholly-owned by the Foundation.

In 2004, CFA-REH, L.L.C. accepted a \$1,000,000 donation and issued debt in the amount of \$920,000 to construct a building on the donated land. The building is being leased as a school for an amount equivalent to the debt service on the bonds, including other financing obligations, over the 20 year bond term.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## Note 9. Bonds Payable

Revenue bonds with an aggregate principal amount of \$920,000 were issued by the Lafayette Public Trust Financing Authority and the proceeds were loaned to the CFA-REH, L.L.C. pursuant to a loan agreement dated June 1, 2003. Bond issue costs in the amount of \$18,002 were incurred in the issuance of the debt.

Interest on the bonds are based on a weekly interest rate determined by the remarketing agent on the interest rate determination date immediately preceding the applicable interest rate adjustment date, to be the lowest interest rate in the judgment of the remarketing agent at which the bonds could be remarketed at par, plus the accrued interest. In addition to interest, the Company is also required to pay fees on a letter of credit securing the debt, remarking agent fees, analyst fees and trustee fees.

Aggregate maturities required on long-term debt, including estimated interest of \$250,689, are as follows at December 31:

	Principal	Interest	Total
2007	35,000	25,388	60,388
2008	35,000	24,338	59,338
2009	40,000	23,250	63,250
2010	40,000	22,050	62,050
2011-2015	225,000	91,163	316,163
2016-2020	280,000	53,850	333,850
2021-2024	200,000	10,650	210,650
	<u>\$ 855,000</u>	<u>\$ 250,689</u>	<u>\$ 1,105,689</u>

Interest expense on the indebtedness was \$34,430 during the year ended December 31, 2006. Payments of fees in connection with the debt were \$12,244 and \$12,212 during the fiscal years ended December 31, 2006 and 2005, respectively.



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of  
Community Foundation of Acadiana  
Lafayette, Louisiana

We have audited the consolidated financial statements of Community Foundation of Acadiana (a nonprofit organization) as of and for the year ended December 31, 2006, and have issued our report thereon dated October 26, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Organization's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as item #2006-1.

This report is intended solely for the information of management, others within the Organization, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Broussard, Poole, Lewis & Breaux, LLP*

Lafayette, Louisiana  
October 26, 2007

COMMUNITY FOUNDATION OF ACADIANA

SCHEDULE OF FINDINGS AND RESPONSES

Year Ended December 31, 2006

We have audited the financial statements of Community Foundation of Acadiana as of and for the year ended December 31, 2006, and have issued our report thereon dated October 26, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of October 26, 2007 resulted in an unqualified opinion.

Section I - Summary of Auditors' Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses        ☐ Yes    ☒ No  
Significant Deficiencies   ☐ Yes    ☒ No

Compliance

Compliance Material to Financial Statements    ☒ Yes    ☐ No

Section II - Financial Statement Findings

Finding #2006-1

Finding and effect: During 2005, the Louisiana Legislature enacted legislation giving the legislative auditor authority to compile financial statements and to examine, audit, or review the books and accounts of any not-for-profit organization which is created by a public official in the state of Louisiana for the purpose of accepting donations, charitable contributions, or other funds for disaster relief or recovery and which existence is promoted in any manner by one or more public officials or public entities in the state of Louisiana. Because such a fund was established in Community Foundation by the Superintendent of Education, the audit of the Foundation as of and for the year ended December 31, 2006 was required to be filed with the Legislative Auditor's Office within six months of fiscal year end as required by state law and was not filed within the time period.

Recommendation: In the future, the report should be filed in compliance with state law.

Current status: Community Foundation was unaware of the requirement to provide a copy of the audit to the Legislative Auditor's Office within the six month time period subsequent to its fiscal year end, until it was too late to comply. The Foundation is aware of the requirement and intends to comply with the timely submission of future audits.

COMMUNITY FOUNDATION OF ACADIANA

SCHEDULE OF PRIOR FINDINGS  
Year Ended December 31, 2006

Section I. Internal Control and Compliance Material to the Financial Statements

Prior year audit was not performed in accordance with Government Auditing Standards.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

The prior year's report did not include a management letter.